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INTERCOLONIAL TRADE

OUR ONLY SAFEGUARD

AGAINST

DISUNION

BY

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"THE COAL TRADE OF THE NEW DOMINION," ETC.

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RUSSELL HOUSE,

Ottawa, March 25, 1868.

MY LORD,

It was my intention to have availed myself of your kind permission to submit the accompanying *brochure* to the public in the form of a letter to Your Excellency. The importance of the subject and the impossibility of doing justice to it in the narrow limits of a letter, will account for the present publication.

The facts and the figures, which it contains, will speak for themselves. The views which it advocates can claim no weight, as coming from a statesman,—the only political act of my life having been my advocating confederation, and my voting for the Union of British North America. If I am now trespassing on a field, which is the property of politicians, it is my first offence of the sort, and will probably be my last. The present crisis is however exceptional, as the future of every inhabitant of the Dominion depends upon the issue. Nor is it impossible that a private spectator, being free from the excitement or prejudices that sometimes influence the views of public men, may be able to judge more calmly and more justly of the dangers that beset our political experiment, and of the policy on which the future existence of the New Dominion now depends.

Trusting that the accompanying pamphlet may repay the trouble of a perusal,

I remain,

Very respectfully,

Your Excellency's most obedient
and humble servant,

R. G. HALIBURTON.

The Right Honorable

VISCOUNT MONCK,

Governor General of

the Dominion of Canada.

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INTERCOLONIAL TRADE

OUR ONLY SAFEGUARD AGAINST DISUNION.

The title of this publication sufficiently indicates its object. The subject has too deeply engrossed the attention of the public, throughout the length and breadth of British America, to need any explanation.

The enquiry being a practical one, I shall for convenience of reference specify under their respective heads, as I proceed, the more important points for our consideration, and dispensing with figures of rhetoric, shall rely on more matter of fact and more common-place figures.

When the subject of Confederation was for the first time agitating the public mind in Nova Scotia, the various organized societies of mechanics at Halifax, puzzled by the arguments *pro* and *con.*, and being desirous of having the subject explained by some unprejudiced person who was out of the influence of political excitement, and who was not likely to share in the dignities of the new nation, did me the honour of selecting me as their adviser in the matter, and heard at least a candid and sincere statement of the importance of confederating British America. As a comparative stranger to the people of Canada, I may venture to plead the confidence of those with whom I have lived, as an excuse for asking to be heard by the public.

DISUNION AGITATION IN NOVA SCOTIA.

At this moment a deputation from one of the Provinces of the Dominion is endeavouring to enlist the sympathies or prejudices of the British Government against Confederation, and to obtain a dissolution of the Union. While we cannot for a moment suppose

that the Imperial authorities will condemn our constitution without a trial, we can hardly imagine that if, after having tested it, the people of Nova Scotia are opposed to it, they will be forced to remain under the Government of the Dominion. A short stay in Canada has convinced me that all classes here are disposed to show fair play to Nova Scotia, and if that will not satisfy her, to let her go her way in peace. It is useless to deny that the feeling excited in that Province is very deep and strong, and that it may be fomented into disaffection against British connection itself, if it is not met with prudence and forbearance. The causes which have led to this state of things are not generally understood, and should be explained, in justice not only to the statesmen who represented Nova Scotia at the convention in London, but also to the people of that Province. The causes are to be traced to the isolating prejudices inherent in all provincial institutions, and to peculiarities in the history of Nova Scotia, which have tended to deprive its people of their self-reliance, and to make them shrink from the thought of sharing in the burthens or responsibilities of national existence. In addition to all this, the fact that they had no commercial or political ties with Ontario and Quebec, provinces so remote that they could only be reached through the United States, and that the scheme was adopted in the face of petitions demanding delay and an appeal to the people, was sufficient to arouse the strongest prejudices and the loudest abuse against Confederation and its authors.

The lethargy and want of enterprise and of self-reliance which strangers so often notice in Nova Scotia, are most conspicuous in the City of Halifax, and date back to the very origin of that town. More than a century ago it was built at the expense of British taxpayers, the first settlers drawing government rations and allowances. Nay, to such an extent did this liberality go, that the first natives of Halifax came into the world with the aid of the government, the Lords Commissioners of Trade and Plantations having provided an official *Lucina*, who in common with other Heads of Departments, drew her salary from the Imperial Treasury, and her *protégés* were in due time baptized and buried by ecclesiastics paid by the government. The same aid that assisted their entrance into the world, they were taught to look upon as

necessary to help them through life, and they obtained it. A century of government contracts, of lavish expenditure on fortifications, and the presence of a large fleet and of a numerous garrison built up the town and the fortunes of its leading families, the outlay from the Imperial treasury directly, and indirectly, having up to the present time amounted to a sum that, if returned to the pockets of the British tax-payers, would enable them to buy up the whole freehold of the Province, or at least to secure the somewhat unsubstantial privilege of being a friendly counsellor as to our future. Protected from the possibility of invasion by the armaments of Britain, and enriched by the lavish outlay of the Imperial government, the inhabitants of Halifax have never been able to learn those habits of self-reliance, which are essential alike to national and individual success. In the country districts, it is true, the people have escaped from the contagious effect of this lack of enterprise, and have turned their attention to shipbuilding so successfully, that they have made Nova Scotia one of the first maritime countries in the world in relation to the population of the province. Scores of villages with not a twentieth part of the population of Halifax, leave it in the shade by their busy ship yards, while hers are empty and silent. A stereotyped trade in fish with the West Indies and the United States still exists; but the merchants and capitalists of Halifax, accustomed to move on slowly in the same groove as their fathers before them, have been brought to a stand still by the obstructive tariff of the United States, and folding their hands have done nothing to open up new markets, or to face and overcome the difficulties in their way. The vast mineral resources of the province have been recently thrown open, but the measure would have been a dead letter for many years to come, if American and Canadian enterprise had not been attracted by our mines. A Canadian capitalist who recently visited them, had he listened to his friends at Halifax, would have returned with the impression that our gold mines are a myth, and our coal mines valueless. A personal inspection, and his subsequent experience have satisfied his mind as to their value. Though there is no town in America in which there is so much wealth, in proportion to its population, as in Halifax, it is of but little service to the province, a larger amount having been invested in mining and other enter-

prises in Nova Scotia by New York and by Montreal than by the capital of the Province.

The contracted limits of our political and commercial sphere, have been prolific of jealousy and detraction. Many persons among us can hardly believe that the country is large enough to contain more than one statesman, one banker, or one company in any one business ; and statesmen, bankers and companies too often seem to think that the existence of a rival is fatal to themselves.

In political matters, however, this want of self-reliance and enterprise is peculiarly apparent, and re-acts on the rest of the province. In addition to this state of things which can be explained by our past history, there have been at work those isolating and dwarfing tendencies which are peculiar to no colony and are common to all. More than a century ago Franklin and the leading statesmen of British America went through the same labours at Albany, which were assumed by our delegates at Quebec, and with precisely the same result. They found that they were ahead of their times, and that their constituents disavowed their acts. Franklin bowed to the storm, and allowed disunion to ripen into disaffection. Had he staked his position on the cause of Confederation, as the Premier of New Brunswick recently did, it would have ultimately triumphed, and the United States would have, to this very hour, remained British Colonies, or would at least have grown into a friendly nation, the pride and the protection of the Mother Country.

Even after they had drifted into rebellion, and had successfully fought side by side against the parent State, they drew apart when their independence was secured, and for a long time the possibility of uniting them under one government was a matter of difficulty and of doubt. So large were the concessions demanded by each isolated Colony, that the evil of exaggerated State rights weakened the hands of the General Government, and paved the way for disunion and for a civil war. With all due deference to the framers of our Act of Confederation, I cannot help feeling that they have erred in the opposite extreme, by centralizing in the General Government an amount of power, which, in the absence of any practical checks, must prove fatal in time

to the rights of the minority, and to the local interests of the weaker members of the Confederation.

Had the question of Union not been one that was exceptional from its novelty and its magnitude, the policy pursued by our statesmen would not only have been fully justified by the constitution, but would have been almost unanimously sustained by all parties. But the passion of provincial jealousy inherent in all Colonies, and a suspicion that the sudden coalition between rival leaders was the result of a conspiracy against the public, swallowed up all minor influences. As the tendency to selfish isolation is most intense in a province in inverse ratio to its size and importance, Prince Edward's Island being the smallest, like little Rhode Island a century ago, was most fully convinced that it was large enough to stand alone, and scouted the idea of forming any alliance with the rest of the world.

That Nova Scotia was almost equally contracted in its views and aspirations, was made apparent to me by an accident which enables me to speak on the point from my own personal observation. In September and October, 1864, when our delegates were at Quebec, and therefore before there could be any objections raised to the details of the scheme, or to the mode of its adoption, I travelled through six counties, embracing the whole of Cape Breton and two counties in Nova Scotia, and took some trouble to ascertain the state of public opinion as to what was taking place, and was greatly surprised at finding that every one I met, without a solitary exception, from the highest to the lowest, was alarmed at the idea of a Union with Canada, and that the combination of political leaders, so far from recommending the scheme, filled their partizans with as much dismay, as if the powers of light and darkness were plotting together against the public safety. It was evident that unless the greatest tact were exercised, a storm of ignorant prejudice and alarm would be aroused, that would sweep the friends of Union out of power, if not out of public life. The profound secrecy preserved by the delegates as to the scheme, until an accomplice turned Queen's evidence, added fuel to the flame, and convinced the most sceptical that there was a second Gunpowder Plot in existence, which was destined to annihilate our local legislature and our provincial rights.

Mr. Howe may have turned this alarm to good account, but he did not create it, nor was it due to anything unconstitutional or unfair on the part of our politicians. Yet there can be no doubt that had they been aware that the favourable feeling as respects Union which existed in the Capital and in the towns, was confined to them, and was not shared in by the people of the rural districts, they might have avoided a policy which, though justified by the constitution, was twisted into the semblance of oppression by ingenious opponents, and by popular alarm. So impressed was I by the dangerous state of public opinion, which accident had forced upon my notice, that I wrote in November, 1864, to the late Judge Haliburton, who was then in Parliament, and was much interested in the question of Colonial Union, warning him that the supposed unanimity of Union sentiment in Nova Scotia, relied upon by the Canadian News, and by the local press, was imaginary—that the tide of public opinion was setting rapidly the wrong way, and that *unless it was guided without delay* by a strong despatch from the British Government, setting forth the reasons and the necessity for Union, there could be no hope of Confederation being accepted by the people of Nova Scotia for some years to come. These views opposed as they were to the almost unanimous voice of the provincial press, were supposed to be erroneous. At any rate the point was not urged upon Mr. Cardwell, and the despatch has yet to be written.

WANT OF COMMERCIAL INTERCOURSE.

The alarm and prejudices of a large majority of the people of Nova Scotia, though partly due to the isolating tendency of provincial jealousies and the constitutional objection to the mode of union, were also based on more substantial and rational grounds. Canada was to Nova Scotians, to all intents and purposes, a foreign country, far more so than the United States. The Reciprocity Treaty had tapped the trade of British America at its Eastern and Western extremities, and effectually isolated them. Previously to the Reciprocity Treaty, a trade with the Maritime Provinces and with the West Indies was growing up, for an outlet

for the surplus productions of Canada was required, but the moment a market was found near at hand, more distant customers were forgotten. The immediate effects of the Treaty were in some respects most advantageous. The Americans bought from us our coal, gypsum, cordwood, lumber, fish, apples, every article that we could raise or which the country could produce, while we imported manufactures and flour from them. Most of the flour purchased from the Americans had been imported by them from Canada, though occasionally, probably to encourage the use of their patent medicines with which we were flooded, a portion of our flour and of our refined sugar was made up of our gypsum, which they returned to us ground and converted into an article of food.

The St. Lawrence, the natural highway from Canada, was as wide and as deep then, as it now is, but we had got into a groove, and even the temptation of buying in the cheapest market, and of avoiding the cost of American railway freight and commissions, was not sufficient to tempt us to abandon the beaten track.

The effect of this large trade with the United States was to unite the Maritime Provinces in very close bonds of commercial sympathy with them. Almost every family had at least one member, if not more, who had gone to the United States to make them his permanent or temporary home. They were educating our farmers, our fishermen, and our mechanics. American manners and clothing were daily becoming more conspicuous among us; and if our social and commercial sympathy with the United States did not give rise to disaffection against Great Britain, it was due to the fact that the liberal and enlightened policy of the mother country left us nothing to ask for or to desire, and relieved us of every burthen except that of gratitude. The repeal of the Treaty, threats of invasion, Fenian raids, and abuse of our common country have effectually prevented the commercial sympathies of the past from producing any political fruits, while the attempt to starve us into annexation has re-acted on its authors, and has given us at least the proverbial solace of having companions in our misfortune. The blow, however, has fallen very heavily on Nova Scotia. Our coal trade, large though it has been, was only in its infancy, new coal mines were being opened, and an

unlimited export would have been in a short time supplied, had not almost all operations in new mines been interrupted by the action of the American Government. The suspension of the export of agricultural products and of our fish, was an almost equally heavy blow. To realize it, let us imagine the twin interests of Ontario and Quebec, the timber and the flour trade, simultaneously paralyzed by foreign legislation. The ordeal would be a severe one for the temper if not for the loyalty of the sufferers, and some allowance would have to be occasionally made for an ungracious mood and for hasty language.

CAN THE DOMINION OF CANADA EXIST WITHOUT THE AID
AND IN SPITE OF THE UNITED STATES?

Such is the question which now stares us in the face, and which time is destined to answer. If we imagine that we have solved the difficulty by an Act of Parliament, we are building our house on a foundation of sand, to be swept away by the first storm that assails it. If, on the other hand, we despair before we have fairly tried the experiment, we may create the very dangers that we dread.

Can the Americans starve us into annexation?

The Lower Provinces have provided a home market for the surplus productions of Ontario and Quebec, which, in addition to foreign markets, have left the grain grower but little to regret. As respects the western portions of the Dominion, the policy of the United States has most hopelessly failed. I should be happy if I could say as much for the Maritime Provinces. The answer must depend upon the commercial policy, which the parliament of Canada is at the present session prepared to adopt. Are we able to exist as a people without the aid of our neighbours? I, for one, believe that we are; nay, I may go farther and say, that if we have caught a tithe of that spirit of enterprise and of self-reliance, which characterizes the Mother Country and the Americans, we can not only live without the assistance of the latter, but can also take their place as a commercial and manufacturing people, and can drive them out of the markets of

the world. Already we are fast gaining upon them as a maritime power. As ship-builders they cannot compete with us. Burthened, or rather crushed down by a heavy debt that even in time of peace is increasing in magnitude, and by domestic evils that seem to be only in their infancy, they are trying a dangerous game, when they cast off their willing dependents, and ceasing to use us as "hewers of wood and drawers of water," tempt us to become competitors and rivals.

Much as Lord Monk has done for Confederation, his aid would have been in vain, but for the still more valuable assistance of Mr. Seward. True, it is that his friendship has not been appreciated or suspected, and his language has not always assumed the appearance of conciliation or regard, but christian charity demands that we should judge men by their acts, rather than by their language, and adopting this charitable standard, we must confess that he is entitled to claim our gratitude as the Father of Confederation. We had acquired commercial and social sympathies with the United States that might in time, if allowed to grow into maturity, have ripened into political connection. He effectually cured us of them, by his hostile policy towards the Mother Country and ourselves. We were unarmed, divided and practically defenceless. By permitting the Fenian organization in the United States to openly drill and equip an army for the avowed purpose of invading Canada, he forced us to become one people as a means of self protection, and to organize a powerful militia. We had learned to depend for our existence on the United States. He has tried to teach us self reliance, but casting us off, and by refusing to have any further commercial intercourse with us; and by closing the markets of the United States against us, he has taught us that the world is somewhat larger than we supposed, and is wide enough for our neighbours and ourselves. As one of the fruits of his far-seeing policy, the oats, potatoes, and other agricultural products of Prince Edward Island, instead of being sent to Boston, have been driven across the Atlantic to larger and more certain markets, where they are now competing successfully with the exports of the United States, while Canadian cheese, instead of being bought up and exported by our neighbours, has entered the lists abroad as a rival with

the products of American dairies. The Lower Provinces had learned to depend upon the United States for their bread, and had purchased Canadian flour at second hand from the Americans. We have been forced to buy it in the cheapest market and to import it direct, and we now no longer contribute to the heavy profits of the American dealers. Even where he has been unable to help us, his opponents supply the deficiency. An imaginative Attorney General in Nova Scotia, threatens that, if Downing Street will not listen to nonsense, he will try the White House. All chance of impertinent or idle intrusion on the President has been prevented, by impeaching him, closing the establishment by a guard, and allowing no admission except on business.

What important interests are there then, that are dependent on the United States? Two, and two only, the coal trade of the Eastern and Western portions of the Dominion, and our exports of fish.

On both of these points Mr. Seward has rendered us invaluable service. The action of the American Government as respects the first, will force us in spite of ourselves to make the Dominion a commercial unit; and their late measures as regards exports of fish will compel us to open up an extensive foreign market for the surplus manufactures and natural products of the whole Dominion, and to enter the lists successfully as rivals and competitors in the markets of the West Indies and of the Atlantic Seaboard from the Rio Grande to Cape Horn. Proceeding therefore *seriatim* with each of these important points, I shall deal first with the coal question in relation to

INTERCOLONIAL TRADE.

Commercial union is now a *political necessity*. The opponents of Confederation urged must strongly that a commercial union should precede political connection between the provinces of British America. Without discussing this point, we may at least assume that intercolonial trade, if not a necessity before Confederation, is absolutely indispensable to us now, *as the only*

safeguard for our provincial rights. We have centralized in the General Government powers denied to the Federal Government in the United States, and have left no check upon a dominant majority, but a mere *nominis umbra*, a Senate, which, while free from the dictation of the people, is on the other hand the more exposed to be influenced by the Executive, because it is removed beyond the salutary control of the popular voice, and of public opinion.

If Nova Scotia were to-morrow to enter into the American Union, it would have an equal representation in the Senate with the State of New York, and the Senators elected by the people would carry with them the confidence of the public, and would fairly represent provincial interests. I speak here not of the individuals who at present hold the position of Senators, as they were the nominees of our local government, and as all our leading interests are represented by men of ability and position, but of the system of future appointments and the guarantees which are provided for the protection of our local rights. It is almost incredible, that our only safeguard as a Province rests in a Senate, the members of which will hereafter be the nominees, not of the local, but of the General Government! Such a power vested in the Executive renders the Senate a source of danger, instead of safety to our Province. It may in time degenerate into an asylum for members of the Lower House who may forfeit the confidence of their constituents, or may become the reward of persistent subservience to the wishes of the Executive.

But assuming that a kind Providence will always bless us with a self denying ministry, who will harden their hearts against their partizans, and will devote their bowels of compassion to the claims and necessities of a distant province, yet it is clear that, even if their nominees are unobjectionable, the amount of our representation is unsatisfactory.

I believe that with the precedent of the United States before us, an equally liberal policy will be necessary, if we expect the Dominion to grow, like the American Union, into an aggregate of many States, by the voluntary adhesion of new members of the confederacy. Equal representation in the Upper House is a necessary safeguard for local interests, the nature of

which is the result of geographical accidents, while their value and importance have no relation whatever to the size of a country, or the number of its population.

The mineral, maritime, and commercial interests of Nova Scotia and New Brunswick, as matters now stand, will be, for all time to come, at the mercy of the timber and agricultural interests of Ontario and Quebec. In the popular branch this preponderance cannot be avoided, as representation by population is the most simple, if not the most desirable solution of a difficult problem.

The Act of Confederation itself affords no such protection as is secured to the rights of the people of the United States through a written Constitution and its judicial interpreter the Supreme Court. Whenever an amendment of the Act is desired by a majority of our Legislature, it will be made, for the Imperial Parliament will pay little heed to the voice of a minority or of a province, when it is opposed to the wishes of the majority. Even if it were disposed to act as an arbitrator, it would not be in a position to do justice to the conflicting interests of a distant dependency.

These objections acquire peculiar force when we remember that practically the Eastern and Western portions of the Dominion are foreign countries in the eyes of each other. To the people of Ontario we appear, even more than we do to our imaginative neighbours the Americans, to be situated "somewhere East of sunrise," a feeling which we reciprocate by looking upon our fellow countrymen near the lakes as existing "some where West of sunset." To unite populations so widely separated, is more than can be accomplished by a paper constitution. Nothing but the bonds of commerce can bridge over the space that divides us, and can make us one. To suppose that a country so remote from us, which has no share in our trade, and no interest in our prosperity and reverses, can safely be entrusted with the control of our resources and of our destinies, and that we can remain to the end of time, as we now are, a mere political tributary of Canada, is to imagine an anomaly which is without a precedent in the history of a free people. If intercolonial trade is a possibility, we have it in our power to make the experiment of Confederation

a success. If it is not practicable, the sooner we face the question, and work out the destiny which nature has reserved for us, the better.

Is a commercial union, a community of interests between the East and West, an impossibility?

At present, as respects fuel, we are as a people existing by sufferance, and are at the mercy of our Republican neighbours, and have found to our cost that their "tender mercies are cruel."

In Ontario and, to a certain extent, in Quebec, we are dependent for our hard and soft coals on the United States, the total imports of which in the year ending July 1, 1867, took out of the country the enormous sum of \$730,676.00, to fill the purses of Pennsylvanian and Ohio coal owners, who are striving their utmost in their Legislature and out of it, to tax Colonial imports and to hamper our trade, as a return for our admitting their coal free of all duties. On the Eastern seaboard, where our position is reversed, where we have unlimited coal fields close to the water's edge, and have learned to depend upon the United States market, we have had a prohibitory duty of \$1.25 imposed, the ruin of manufactures in the Eastern States, which this heavy duty on our coal must result in, being amply compensated for, by crushing one of the most important interests of the Eastern portions of the New Dominion.

The question must force itself upon us—is this starvation policy of the American Government to be permitted? Is it possible that a Dominion aspiring to a future state of national existence, can hope to become a people, if it folds its hands, and calmly allows one of its most important outposts, its outlet to the seaboard, to be invested by a cordon of hostile tariffs, and to be starved into a surrender, simply because the scene of the contest is far removed, and because the inland portions of the Dominion have not yet felt the effects of seige? The man that remains inactive and indifferent in his peaceful corn fields, when the distant frontier fortresses are being invested, and when his country calls all its sons to the front, will find that, when the barriers have been broken down, the tide of invasion will sweep over the land, and he will be forced to defend himself when defence and submission are alike unavailing.

Apart even from the commercial contest that is going on in the East, Ontario and Quebec are in a great measure at the mercy of the Americans. If they were suddenly in the autumn to stop their exports of fuel, through any political complications with England or with ourselves, or through some temporary pique, the consequences would be most disastrous to the Western portions of the Dominions. The early closing of the St. Lawrence would prevent them obtaining their supply from Nova Scotian mines, even assuming that the latter, paralyzed by the strong hand of the American Government, could be suddenly re-opened, and could come to the rescue. The intense cold of the past winter, and the sufferings of the poor in their hovels, of which even the wealthier classes in their well-built houses, were enabled to form some slight idea, suggest to us the inevitable result of such a policy, a picture of national misery and privation, of which history fortunately has but few precedents.

It is of vital importance that a Dominion, three fourths of which is shut off from the rest of the world for one half the year, and to which fuel is as important a consideration as food itself, should not be dependent, for its safety, on the policy or forbearance of strangers.

In some parts of the mother country they speak of being "*starved* by cold." That the expression is a correct one, may yet be realized by us, if we trust for our safety and our existence to the 'tender mercies' of our neighbours.

But what is to be thought of us, if we, with our eyes open, not only invite these dangers, but actually deprive the coal interests of the Dominion of the only means of holding out against the hostile cordon of tariffs by which they have been invested. I can go farther, however, and can show that opening the coal trade with the Eastern Provinces, is as vitally important to Ontario and Quebec, as it is to Nova Scotia, as great a benefit to the grain-grower and to the manufacturer, as to the coal owner, and that upon it depends the issue, whether we shall have intercolonial trade, and whether the markets of the world are to be thrown open to the manufactures and products of the West.

We have at present no intercolonial trade of any moment. Through the Reciprocity Treaty the United States absorbed the

trade of the Eastern and Western portions of the Dominion, which have grown up in friendly intercourse with foreigners, but aliens and strangers to each other. The repeal of the Treaty has fortunately reminded us of each other's existence. Our intimacy with our American cousins was, as I have stated, very nearly dangerous to our loyalty; but finding that they turned upon us somewhat bitterly, when an old family feud was revived, we have suddenly remembered that we have nearer relatives, and have formed a family partnership almost before we had time to revive the remembrances of the past, or had learned to know each other's faces.

The remedy for this estrangement will be to ensure daily and constant intercourse with each other. We may then leave it to the hands of time and of nature to weave afresh those bonds of affection, which should have never been severed or forgotten.

So far our intercourse with Ontario and Quebec has not been mutually satisfactory. A small duty on American flour of 25 cents, and a slight protection to some other products of the Dominion, have, it is true, produced instantaneous and somewhat remarkable results. On this point I cannot do better than to quote from a letter received from a prominent member of the Legislature who has turned his attention to this point.

"The influence of a slight duty and increased facilities for trade are very well exhibited by the following figures taken from the trade returns of Nova Scotia for 1866, and '67. I have been obliged to contrast 9 months of 1867 with the year 1866, as I have not yet obtained the returns for the last three months of '67."

Beef and Pork.

Imported from United States.		Canada.
1866.....	6,155 Bbls.	50 Bbls.
9 months, 1867.....	3,312 "	825 "

Pilot and Navy Bread.

1866, <i>fine</i>	69,705 lbs.
9 months, 1867 " ...	27,983 "
Navy... 825,078 "	
" ... 190,000 "	

Of this 190,000 lbs. imported in 1867, 31,200 lbs. came from Canada.

Flour and Wheat.

1866	281,284 Bbls.	69,164 Bbls.
9 months, 1867	47,466 "	161,266 "

Butter and Lard.

1866	99,950 lbs.	38,491 lbs.
9 months, 1867	100,073 "	334,943 "

Cheese.

1866	56,265 "	28,078 "
9 months, 1867	11,402 "	21,835 "

The duty imposed on beef and pork was \$1 per barrel, on fine bread 1 cent per lb., and on navy bread 1-5th cent per lb., on wheat flour 25 cents per bbl., on butter and lard $1\frac{3}{4}$ cents per lb., and on cheese 1 cent per lb. It is evident from these figures that by the imposition of very small duties and improved means of inter-communication, we may confidently anticipate a great increase of trade between the Maritime provinces and the other provinces of the Dominion."

These tables given do not afford very satisfactory data, because the high tariff of the American Government having lowered the price of Canadian products, and raised the price of the same articles in the United States, the much lower cost at which we could import from Canada must have had some effect, while the Canadians, being cut off from their usual market, naturally made great exertions to procure customers in the Maritime Provinces. On the other hand, the nine months of 1867 do not afford a fair test, for it takes some time to change the course of trade, and especially to open up new channels of intercourse between countries that are commercially strangers to each other.

But this trade has had little or no effect in producing intercourse between us, and has been in some respects disastrous to Nova Scotia. Most of the articles in question were sent from Mont-

real 350 miles by railroad to Portland, and thence came to Halifax by a steamer. By such an expensive mode of transport, few of our productions could be returned; consequently, although through the enterprise of Mr. Brydges and the Grand Trunk Railway Company, we purchased our flour at a moderate cost—far lower than we could have procured it elsewhere, yet, in the long run, it costs us more than it ever did before. The Americans, it is true, had made us pay a high price for Canadian flour, which we should always have imported from Canada; but they took in return almost every article that was worth buying or could be turned to use. Our potatoes, eggs, coal, fish, lumber, cordwood, and a vast variety of productions found a ready market, and although the balance of trade was slightly against us, the drain upon us was not severe. But now every barrel of flour which we buy must be paid for in cash, bills on Montreal are at a large premium, and all the spare money of the country is being drained out of it to pay for Canadian flour. So far from intercourse between Montreal and ourselves having been promoted, Ontario and Quebec might as well have been situated south of the Potomac, and have sent us their flour from thence *viâ* Portland. We had previously imported our flour in nearly the same channel. The only change effected was to make us buy bills on Montreal, instead of as before on Portland, Boston or New York. This state of things instead of promoting commercial sympathy, is causing some inconvenience, and much dissatisfaction. While we are using the most expensive mode of transport, the cost of which must come out of the pockets of the grain grower or of the consumer, the hand of nature for seven months of the year secures to us the St. Lawrence, the grandest and the cheapest highway in the world, that is wide enough for the commerce of all nations. No artificial mode of transport can compete with our magnificent water communication, which by means of expensive canals throws open the trade of the Atlantic to the ‘lake dwellers’ of the west.

To make the St. Lawrence available, freights must be low, and to effect this result there must be a remunerative return freight. Here it is that England excels all other countries in Europe. Mr. Jevons has shown that England owes a large element of her commercial and manufacturing success to the fact that she possesses

the only extensive deposits of coal on the seaboard, from the Orkneys to the Cape of Good Hope, and as fuel is more or less in demand in all parts of the globe, she is enabled to send outward cargoes of coal to all parts of the globe, which are sure to realize a fair price, and to earn something which goes towards reducing the cost of the raw material imported in the return voyage; otherwise the imported articles would have to bear the whole expense of the outward and homeward voyage. Pottery and salt sometimes answer the same purpose, and prevent the ship going out in ballast. Nova Scotia, on the Western Shores of the Atlantic enjoys precisely the same advantage as the Mother Country, and seems destined by nature to inherit the same career of commercial and manufacturing success. From Cape North to Cape Horn, as I have shown in my paper on "The Coal trade of the New Dominion," and by the map accompanying it, there are no extensive coal fields near the seaboard, except those of Nova Scotia, which lie far out in the Atlantic, where the Ocean highway from Europe to American branches off, one road, which leads to the United States, passing our Southern Coast, while the other runs along our Northern Shore through the Gulf and River St. Lawrence, beyond which nature and art have combined to extend the pathway of commerce over our vast inland seas to the far West. Is it possible that while we possess the grandest and cheapest water communication in the world, and a coaling depot far out in the Atlantic, at the very point where the convenience of commerce would seem to require it, our natural highway is deserted, while we crowd the thoroughfares of a foreign country, and depend for our access to the ocean upon a long and expensive means of artificial transit, instead of availing ourselves of the heritage which munificent nature has had in store for us from the beginning of time? How then can we employ the coal resources of our Dominion as the feeder of intercolonial trade? What can Ontario and Quebec send to Nova Scotia, and what can they take back in return? Previous to the Reciprocity Treaty the barrel of flour on the Canadian side of Niagara was worth one fifth less than it was on the American side, for while the markets of the world were alike open to them, American flour had also an extensive home market, while that of Canada had no such

domestic outlet. The Lower Provinces have recently supplied a home market, and prevented the depreciation which once affected the value of Canadian flour. But Ontario and Quebec are fast becoming a manufacturing, as well as an agricultural people, and their manufactures and products are exceeding the wants of the population, and need a wider market. Every branch of woollen, leather, or wooden manufactures may find an outlet in time in the Maritime Provinces, while Nova Scotia can send in return, not only coal, but also fish and West Indian produce, building stone, pottery, and other articles. The excellent and abundant wool of Ontario and Quebec, and their cheap water power will always tend to make them the seat of textile manufactures, while the presence of coal, iron and superior clays, and the possession of an almost insular position, will make Nova Scotia the carrier and factor of the Dominion, and the vicinity of her collieries the seat of those branches of industry which are connected with the smelting and manufacture of iron, and with pottery, for coal being the most bulky article of commerce, and therefore the most expensive to transport, "Mahomet will have to go to the mountain." This has proved to be the case in England, for nearly all the materials for her potteries are brought from a distance, and manufactured at the mouth of the coal pits where cheap fuel can be procured. The Staffordshire of the Dominion will be in Nova Scotia, and the future "black country" of the New World will be the vicinity of our coal mines. I find from careful enquiries made in Staffordshire and in Cornwall, that the China clays of Cornwall can be landed nearly as cheaply at Pictou as they can be sent to the potteries of Staffordshire; and that by saving insurance, breakage, freights, and commissions, we can from our possessing more accessible coal deposits, and fire-clays superior to those of the Mother Country, produce an article that can, in the markets of the new world, defy competition from abroad. The Pennsylvanian coal fields cannot compete with us, for they have no under-clays that can compare with ours, and are now importing fire-clays from Nova Scotia and from Great Britain. It is difficult to over-estimate the importance of this branch of industry when it is once developed, as it will not only afford an enormous source of demand for our coal, but will also supply additional outward freights to foreign

ports, as well as return freights from Nova Scotia to Montreal and the West.

The trade in flour also will indirectly benefit and develope other branches of commerce, by lowering freights, and the mechanics of Ontario and Quebec will in time be able to count upon us as their customers, though the manufacturing capabilities of Canada are so vast that the market in the Lower Provinces will not be able to absorb the future surplus products of the country. *Extensive foreign markets on this side of the Atlantic are a necessity.* We need a wider field as an outlet for our timber, flour, fish, clothing, manufactures in wood and leather, salt, petroleum, for everything in short which Ontario, Quebec, or the Maritime Provinces can raise or produce ; and this market Mr. Seward is now driving us to open up. We have no alternative but to bow to our fate and to submit to the career of prosperity which is being forced upon us. Nature and American statesmen, hand in hand, are doing their best to make us a people, and if they do not succeed, the odium of failure must rest, not upon our benefactors, but upon ourselves.

AN UNLIMITED MARKET FOR CANADIAN MANUFACTURES AND PRODUCTS IN THE WEST INDIES AND SOUTH AMERICA.

If I could go to a merchant and introduce to him a stranger who would be a customer to the extent of over sixty-two millions of dollars annually, for articles many of which the former could supply at a rate that would defy competition, it is probable that both parties would be equally pleased, and even if they should not have gratitude or courtesy enough to thank me for the hint, they would at least have enterprise and common sense enough to turn their acquaintance with each other to good account.

Little yet has been done to throw open the markets of the West Indies, and of the Atlantic Seaboard South of the United States. True it is that we did send a roving Commission to the West Indies, but they paid such a flying visit, that they had much the same facilities for mastering their trade and resources, that a passage in a balloon over a country affords for studying the cus-

toms and institutions of its inhabitants, and as it was followed by our imposing heavy duties on West Indian products, History, which has a good deal yet to learn before it can solve the mysteries of legislation and diplomacy, will, it is to be feared, somewhat hastily conclude that the object of the mission was to enquire into the most effectual mode of preventing any intercourse with the West Indies and with South America. For our legislation, the Commission, I presume, is not responsible ; and considering the hasty nature of their visit, the results were creditable to their industry and energy. So far Ontario and Quebec have practically little or no share in the enormous foreign trade with those countries, of which the United States, on this side of the Atlantic, have had the monopoly. Newfoundland and Nova Scotia exported a large amount of fish to the West Indies and Brazil, but their exports are but trifling compared with those of the United States, which embrace a vast variety of products, some of which they procured from us, thus reaping a profit which we should have secured, while nearly all of them could have been produced more cheaply in Canada than by our neighbours.

The course of this trade is well worthy of our attention. The Americans have generally sent assorted cargoes, of which fish, flour and lumber were the staples, the balance being made up of manufactures, &c.

For the fish they were largely indebted to the French and to ourselves, as we used to send our fish to them in bulk in bond. It was repacked by them and shipped to their customers. Hence they were using our fish without having to pay for it, and were trading on our capital without giving us any interest or return. The balance of the fish exported by them consisted of their smaller fish which were unsuited for domestic use.

They purchased flour from the Canadians for their own use, while they exported their Southern flour, which being thoroughly dry, and well packed in small barrels, was able to stand the climate of the South. What nature has done for Southern flour may be accomplished in Canada by artificial means, as our kiln-dried flour properly packed will supply a very superior article to what is exported by the Americans to their Southern customers. That we can send it at less cost, admits of little doubt, provided.

that we can get into a regular channel of trade in which freights will be low. The quantity of bread and biscuit exported by the United States in 1864 to the British, Spanish and French West Indies, Hayti and St. Domingo, Mexico, Central America, New Grenada and Venezuela, Brazil, Argentine and Cisplatine Republics, amounted to \$479,404 ; wheat, \$144,010 ; and flour, \$10,140,852 ; total \$10,764,266, a respectable sum that will not come amiss if it is transferred from the pockets of the American people to our own.

Then we have, among these exports, rye-meal, oats, beans, peas, barley, bran and shorts, \$332,430 ; of onions alone, \$161,906 ; apples, \$116,614 ; hay, \$86,456 ; butter, \$823,856 ; candles, \$902,838 ; potatoes, \$433,655 ; cheese, \$305,925 ; eggs, \$30,628 ; fruits preserved or dried, \$44,768 ; beer, ale, and porter, \$107,332 ; fish dried, smoked or pickled, \$1,169,327 ; beef, \$528,069 ; hams and bacon, \$838,309 ; lard, \$3,797,115 ; oils (including whale, fish, lard, and tallow,) \$319,570 ; pork, \$2,267,475 ; tallow, \$241,054.

These figures will be somewhat interesting to those of our farmers, who suffer from too large crops and too small prices ; especially as we can undersell our overtaxed neighbours in most of the articles specified. The soap boilers, who are not afraid of competition, will be glad to know that there is a demand for \$652,686, worth of soap, and will be surprised to find that the negroes of Hayti and St. Domingo were purchasers of soap to the extent of \$259,268. Speaking of St. Domingo reminds us of our petroleum, which is in somewhat 'bad odour,' although superior to the American article in illuminating power. It is probable that some of the countries enumerated may have learned toleration on this delicate point, and will regard our oil as effectually deodorized by its extremely low price. They imported petroleum, coal oil &c., to the extent of \$1,025,221, St. Domingo and Hayti taking \$366,677 worth, and Brazil \$260,573. We can manufacture boots and shoes cheaper than our neighbours, and may give them trouble when our dealers find that the Americans sold \$902,038 worth to those countries. The Americans are buying clothing from us, yet that article amounts to \$442,590 in the list before me. Our house furniture is unsurpassed in cheapness and beauty. Let

our manufacturers look to the figure \$701,678, and bestir themselves. In all articles of hardware in which the American can compete with England, we can excel them—the amount sold was \$793,140; manufactures of leather, \$93,313; saddlery and harness, \$88,623; trunks and valises, \$86,901.

Although this is my first visit to Ontario and Quebec, I have seen and felt enough of the climate since January to convince the most sceptical that Canada should fear no rival in the ice trade, unless the North Pole, through the aid of Arctic explorers, should become a competitor, and drive us out of the market. The Americans exported to the countries in question in 1864, \$127,403 worth of ice.

In manufactures from wood, we not only excel in furniture, but can also compete in other branches provided the market is secured. Under this head we have carriages and parts, \$196,782; matches, \$81,787; waggons, carts and wheel-barrows, \$76,765; wooden wares and wooden manufactures (not specified,) \$311,318.

As large exporters of timber, &c., we should note for future use the following figures:—Boards, planks, laths and pickets, box-shooks, other lumber, timber, and shingles, \$2,889,990; staves and heading shooks, hoops, barrels and hogsheads, \$3,109,454; timber rough and unhewn, \$53,999, making a total of \$6,053,443.

As we are making excellent iron, we should note the value of manufactures in iron exported by the Americans, \$2,755,301.

A surplus of spirituous liquors might tempt us to use what we cannot dispose of, but this plea for a lack of moderation is put an end to, by our finding that there is a market abroad, and that our southern friends were customers of the United States to the following extent—brandy and whisky, \$128,703; alcohol, \$67,915.

Any one travelling through the United States must be puzzled to know which are in the most deplorable state, their liquors or their politics. The former are destroying their stomachs, and the latter their *constitution*. They have placed an excessive duty on whisky, but the laws are evaded. An American friend states that only one fourth of the duties which should have resulted from the tariff, have reached the treasury. It would be idle for me to state what is patent to every man in Canada, that in the

export of whisky the Americans cannot pretend to compete with us.

Tobacco factories are springing up in various parts of the Dominion. Of tobacco the United States exported to those countries \$423,072.

The exports of woollen manufactures were comparatively small, still it would be a boon to our woollen mills, which are turning out a very superior article at a very low price. This business is liable to be overdone, and an outlet abroad will soon become a great public necessity. Of the clothing exported, the value of which was, as we have seen, \$442,590, we may infer that a portion was made up of woollen cloths. But even if the demand has not been large, we must imitate our enterprising neighbours, and must create markets for our products. If we can send a useful article at a lower price than any other people, quality and cheapness combined will be sufficient to unlock the door of markets hitherto closed or unknown to us.

I might specify other items, but space forbids me to enlarge farther on this interesting point. Enough has been shewn to invite our enterprise, and to pave the way for the great work which awaits the New Dominion--the task of reaping the rich commercial harvests of the South.

Nor is the field of enterprise limited to those markets, but extends to every country to which the Americans are now exporting. Their total exports in 1867 in the following items were, breadstuffs, \$38,797,656 ; coal, \$1,845,928 ; iron and manufactures of iron, \$6,726,372 ; lumber and manufactures of wood, \$15,036,471 ; coal oil and petroleum, \$24,397,308 ; provisions and tallow, \$28,156,539 ; distilled spirits, \$1,886,884 ; leather, and leather goods, \$1,040,543 ; tobacco and manufactures of, \$22,671,126.

THE AMERICAN SPHINX.

The Emperor of the French was for some time regarded as a modern Sphinx, for his policy was a riddle and his objects wrapped in mystery, until Napoleonic "ideas" took the tangible form of "material guarantees." Profound as was the interest

which he took in his neighbours, if it excited misgivings, they were not as to his sanity, but as to his sincerity. But the ways of the American government, as respects ourselves, are truly inscrutable; and their last act respecting us is of so startling a character, that we are almost disposed to fear that too much philanthropy has made them mad, and that they are robbing themselves for the benefit of the New Dominion.

Let us review their policy as respects our Fisheries, those harvests of the deep, which a century ago were truly described by a British statesman, as "of more value to a nation than the gold mines of Peru." When the Mayflower landed the Pilgrim Fathers in Massachusetts Bay, they found the whole coast of New England and Maine teeming with fish. These treasures have been wastefully destroyed, and the Americans have been compelled to turn their attention to the Shore Fisheries of British America. The difficulties that their intruding on our property gave rise to, the desire of the Americans for the free navigation of the St. Lawrence, and the anxiety of the Canadian grain grower to procure an outlet for his wheat, brought about the Reciprocity Treaty. The position of the Maritime Provinces and of Ontario and Quebec, have since been reversed. Then the latter regarded the Treaty as vitally important, while the former were indifferent or opposed to it. Nor was the American Government ignorant of the fact. President Pierce in his instructions to Andrews in 1853, states—"The Government is aware that the Colonies are not agreed nor united on the question of Reciprocal Trade and Fisheries, and that a treaty which should be satisfactory to Canada might not be acceptable to the lower Colonies, *particularly New Brunswick and Nova Scotia.*" *

The difficulty was overcome by quietly sacrificing the interests of the Maritime Provinces. They had, it is true, the courtesy of

* See "A Sketch of the Rise and Progress of the Reciprocity Treaty." By Thomas C. Keefer, C. E.

In effecting the Treaty, the principle of the division of labour seems to have been strangely observed, most of the hard work and expense having been assigned to Messrs. Andrews and Keefer, while the fame and glory department was attended to by Lord Elgin and his advisers.

an invitation to be present at the conference extended to them, but the matter was prudently settled and closed before they arrived, and they found themselves somewhat in the position of a hungry after-dinner guest, whose only share of the feast is the smell of the dinner. All the good things had been disposed of. The coasting trade and the right of registering our ships in the United States, might have been secured to the Maritime Provinces, but as Canada was an inland country, without shipping or commerce, she generously permitted the United States to appropriate this *bonne bouche* to themselves.

The Reciprocity Treaty has come to an end—and the question of renewing it finds the position of all parties singularly changed. The crushing taxes of the United States, combined with the opening of the markets of the Lower Provinces, have rendered the grain-grower of Ontario and Quebec indifferent to the renewal of the Treaty, and the barrel of flour, the standard of his political creed, is no longer depreciated twenty per cent. by being grown on the Canadian side of the frontier. But in the Maritime Provinces, the reverse has been the case. Their coal mines, held under a stringent monopoly, having been thrown open, an unlimited market was opened up in the United States, where every article which we would raise found a ready sale. On the other hand, everything required by the country which we could not import from England, we obtained from them. The effect of the sudden stoppage of this trade can be easily imagined. *Apart from any political grievance, and even in spite of the most cordial and friendly sympathy with her Sister Provinces, Nova Scotia must, as matters now stand, be forced out of the Union, for she will, as a commercial necessity, either be utterly ruined, or must have a market secured to her by the United States or by the New Dominion.*

Yet with this serious state of things endangering the safety of the Union and the commercial existence of one of our provinces, the Dominion has stood upon its dignity, and not a step has been taken either to encourage overtures from the Americans, or to collect the mass of information as to the present state of the trade of the United States and of British America which will be required, before we can deal with so complicated and difficult a subject. It is easy to be independent, when the risk of the con-

sequences falls upon our neighbours. Last summer I hesitated about riding over a rickety bridge, and enquired from a country-man who was working in his corn field, as to whether it was safe. "I don't know," he replied, "I can walk over it on foot, though I don't think it can stand very long, but you had better try it, I guess I'll risk it." As my neck and my horse's knees were at stake, I was somewhat amused at his being so ready "to risk it." Canada finds that it can get on safely enough without patching up the Treaty, and though the commercial existence of Nova Scotia with her enormous resources for trade is at stake, the Dominion Government advises her to take courage, and is willing "to risk it."

At the present crisis when the trade of that province has been paralysed, and the people are excited by real and imaginary grievances, the odium of which agitators are endeavouring to fasten upon Canada, though the Canadians are not in the most remote degree responsible for them, most serious consequences must have ensued, had the Americans attempted to conciliate the Nova Scotians by reducing the duties on fish and coal as boon to that province. Having so far failed to starve it into annexation, the American Government might have done more by an affected sympathy, and by extending a noisy generosity to an oppressed people.

They have not only abstained from taking advantage of the crisis, but have done more. They have actually come to the rescue of the Dominion, and have forced us to become one people through intercolonial trade, and are now compelling us to increase our manufactures and our products so as to supply the demands of an extensive foreign market which they have thrown open to us.

I cannot do better than quote from a letter addressed to the Minister of Fisheries by the Honble. T. D. Archibald, a Senator from Nova Scotia, who has kindly sent a copy to myself. The writer who is one of the proprietors of the Gowrie coal mine in Cape Breton, is largely interested in the West Indian trade.

“ RUSSELL HOUSE,

“ Ottawa, 11th March, 1868.

“ SIR,—I beg to call your attention to the recent action of the
 “ American Government touching the importation of French and
 “ English fish in bond. For the past fifteen years the American
 “ Government have ceded the right to importers of French and
 “ English Fish, to repack them in bond for exportation ; they are
 “ usually put up in drums and form a portion of a small assorted
 “ cargo for St. Domingo and other markets of the West Indies ;
 “ and the privilege heretofore allowed to importers of French and
 “ English fish of packing such quantities in bond as the trade
 “ required for exportation, enhanced the value of our fish very
 “ considerably, as the American fishermen do not cure their fish
 “ sufficiently to keep in hot climates, and the French and English
 “ fish are taken exclusively for these markets. Within the last
 “ three weeks Secretary McCulloch has issued an order to the
 “ Customs Department of Boston, prohibiting the packing of fish
 “ in bond, without giving the holders of fish in bond a day’s notice ;
 “ and they are now compelled to pay the duty of 56 cents gold per
 “ 100 lbs., and allow such fish to go into consumption in the
 “ American market ; thereby losing fully the difference of duty,
 “ 56 cents, gold, per 100 lbs., on the fish held by them in bond at
 “ the present time, and at the same time they are excluded from
 “ prosecuting a business which they have been carrying on for a
 “ number of years successfully. This all without the slightest
 “ notice from the Government of the United States. Messrs.
 “ Atherton, Hughes & Co., of Boston, the largest importers
 “ of French fish, sent a strong remonstrance to Secretary McCul-
 “ loch, urging him to pause and give the matter due con-
 “ sideration before issuing an order which would upset all the
 “ privileges and rights the importers of French fish had enjoyed
 “ for the past fifteen years, and pointing out to him the effect such
 “ a sweeping measure was likely to have with our Dominion
 “ Government in fixing the fishing licenses on the American fish-
 “ ing vessels using our waters for the present year. Mr. McCul-
 “ loch replied, that the law prohibited packing fish in bond, and
 “ it was his duty to see it carried out.

“I think our government now ought to lay a high tax or tonnage dues on all American vessels fishing in our waters, and that measures should be taken to collect such tonnage dues at the various points of the Provinces where these vessels generally resort for shelter during the fishing season.

“I have the honor to remain,

“Your obedient servant,

“T. D. ARCHIBALD.

“The Hon. PETER MITCHELL,

“Minister of Marine and Fisheries.”

We might have supposed that the American fishermen who get their bounties now in the form of drawbacks, had already protection enough, for our fish has had to pay directly and indirectly duties and charges amounting to from 30 to 35 per cent. In one case, which I assume must have been exceptional, a Canadian shipper on \$1,300 paid \$890, a respectable amount of protection for his American competitors! This last step is even farther in advance, and *its object is prohibition*. But while it will drive from the United States ports the French and English fish hitherto imported in bulk, re-packed in American barrels, and shipped abroad by Americans who reaped the fruits of our labour by supplying their customers by the aid of our capital, it will concentrate this enormous business at Halifax, and our merchants will have to provide, from the manufactures and products of the Dominion, the assorted cargoes which are required for the purpose. The quantity of fish exported by the United States, was little over one sixth of their total exports to those countries, which exceeded in 1864 sixty-two millions of dollars in value (\$62,934,560.) When we add to this the large exports direct from Nova Scotia to a few of these countries, for she does not send a dollar's worth to some of those markets, we may imagine the enormous trade which is destined, if we seize the golden opportunity now that it is thrust

upon us, to pave the way to our becoming *the first commercial nation on this side of the Atlantic*. All that is now required is a little self-reliance, and energy, for we hold all the trump cards in our hands; and if we resist our singular tendency to throw them away, and can play them with ordinary prudence, the great game of commercial preeminence will be ours.

OUR INTERCOLONIAL AND FOREIGN TRADE DEPENDS UPON OUR COAL TRADE.

I have shewn that nature has given us a great national highway, in the St. Lawrence, while it is open and so long as we have command of the Sea, no enemy can occupy the country through which it passes. Even the narrow rivers of the South, in spite of powerful fortifications on their banks, left the interior at the mercy of invading gunboats, and the importance of a wide navigable river held by a naval force, is too striking to escape the notice of the most casual observer. During the winter months, ice and snows, entrenched in dense forests, are the most dangerous and the most stubborn defenders of our Northern country.

The intercolonial railway will, both in peace and in war, be a necessary auxiliary of our highway, but can never be a substitute for it, excepting during the winter months; and as in war its protection will mainly depend upon our having the control of the St. Lawrence, and in peace its usefulness will arise from its being a tributary of our main highway, military necessity and commercial utility alike require that it should be kept as near as possible to the shores of the St. Lawrence, and as far as possible from the frontier.

Although I have restricted my remarks to a portion only of the markets of the United States, we have seen that an enormous trade, even on this side of the Atlantic, may be created by our competing with our neighbours.

Nova Scotia having already become familiar with this foreign trade, Halifax must become the entrepôt for the outlet of our productions, which must be sent by the St. Lawrence *viâ* Pictou to Halifax during the summer, and in winter by the intercolonial

railway. But to make the trade profitable, we must reduce freights to the lowest possible point, and this can only be effected by providing a remunerative return freight. The only return freight which can be sent is coal, and even if the price of fuel were increased by the imposition of a similar duty to that imposed by the United States, it would be amply repaid by its reducing freights, and hence enhancing the value of the flour and other products and manufactures of the west. It is necessary, if for no other purpose, in order to create a large trade without delay, and to get us into a *new groove*. It is necessary for the cheap transport of the productions of Canada to the seaboard, which will have to be as low as possible in order to enable them to compete abroad with the cheaply carried products of the United States. It is necessary, in order to render the Dominion independent of the United States in the all important matters of fuel, and to prevent the serious consequences which the sudden stoppage of our supply in the autumn might entail upon us. It is necessary, in order that Ontario and Quebec, instead of strengthening the hands of those who are endeavouring to crush the coal interests of the Dominion, may teach them some of the fruits of their own policy, and convert them into advocates of more rational measures. It is necessary, to prevent the Americans from starving the Nova Scotians into annexation. It is necessary, to promote intercolonial trade ; but above all it is necessary, in order to unite the people of the Dominion by the only bond that can endure—that of common interests and commercial sympathy.

In addition to these considerations, there are others which are, at the present juncture, of equal moment to us. I have hitherto avoided dealing with this subject in a sectional or local point of view, but knowing as I do the serious disaffection which exists in Nova Scotia, I believe that *the imposition of a duty on American coals, similar to that which is levied on ours*, will cut the ground from under the feet of agitators, who represent the Dominion Government as indifferent to our maritime and mining interests, and watchful only of the welfare of the two great provinces that hold the reins of power in their hands. That prompt action in this matter, and a desire to sacrifice everything for the general interests of the Dominion, will in time soothe the alarm that

has been excited in Nova Scotia, and the prejudices that have been aroused, we cannot doubt. Looking at the matter from their point of view, we cannot be surprised at their indignation, nor should we condemn that spirit of independence which they have exhibited, without which no people are fit for self-government. The day will yet come, we must hope, when they will contend with equal vigour and earnestness for the permanence and perpetuity of the New Dominion. As matters now stand, assuming their views to be correct, the fate of Nova Scotia has no parallel except that of afflicted Job. She has had her coal trade and her market for her fish and other products cut off, and her worldly possessions depreciated. Political Sabæans have robbed her of her birth-right, and the cup of affliction is filled up by the conduct of ungrateful friends. It is possible also that the parallel may go a little farther, and that the evils have been aggravated by the temptations of an agitator, who exaggerates her calamities, and endeavours to make patience an impossibility.

That if this policy which I have advocated, be carried out, Nova Scotia will be more largely benefited by Confederation than any other Province, is perfectly clear. Halifax and Pictou will become the most important points in the New Dominion. The merchants of Halifax, already familiar with the fish trade, will reap a rich harvest, if they have the energy to take hold of the chance thrown in their way; and the shipping interest will be extensively benefited, by having a large and increasing trade with foreign countries, which will require the aid of a numerous fleet to carry on the business. It is true that as respects our coal trade, the measure advocated will give us a poor substitute for the American market; but it will be extensive enough to enable our people to hold out, until new markets are opened up, which may prove, to some extent at least, a compensation for those that have been closed against us. While the Nova Scotians are, however, accustomed to look upon the United States as their only reliance as a customer, and fancy that Canada can be of but little use to them, Ontario and Quebec have been trained to a similar feeling of dependence on the Americans for their supply of fuel, and many persons fancy that they cannot get bituminous coal from the Lower Provinces at a reasonable rate, while for the

anthracite they imagine no substitute can possibly be procured.

On both of these points I conceive a very great amount of misapprehension exists. We can supply Ontario and Quebec with a far cheaper fuel than they are purchasing from the United States, and a very satisfactory substitute for anthracite, so soon as the development of the Gulf trade lowers freights to the proper point. Thus we can put coals of excellent quality on board at Pictou for \$2.50. The freights to Montreal have hitherto been as high as to New York, from \$2 to \$2.50. Assuming that they are reduced from \$1.25 to \$1.50, we have our coal landed at Montreal at \$3.75 to \$4 per ton. If we can carry coals as cheaply by our canals as the Americans do by theirs, and a through trade between Toronto and Pictou grows up, the return freight from Montreal to Toronto should certainly not exceed \$1 per ton. This would make a ton of coal \$4.75 at Toronto, which is less than the price paid there during the past year. Once create a large export for the products of the West *viâ* the St. Lawrence and Pictou, and the same causes which give us the use of cheap English coal, will secure to us the boon of cheap fuel from Nova Scotia. But it may be said that a duty, while it will operate against American, will also exclude English coal. On this point we need feel no hesitation. The increasing demand for fuel, and the probable exhaustion of those mines that are most accessible, will, it is feared, so raise the price of English coal, as to transfer the smelting of iron, &c., to Pennsylvania, and an export duty is daily urged in mining papers, as indispensable for the future manufacturing and commercial supremacy of England.

Nor need there be any fear of Nova Scotian coal owners enjoying a monopoly, and raising the price of fuel. Their collieries could supply five times as much as Canada can use for years to come, and the competition will be brisk enough to reduce the price to the lowest paying point. *

*The imports of coal by Ontario and Quebec in the year ending 1st July, 1867, were as follows: From Great Britain, \$472,710; from British North America, \$48,824; from the United States, \$730,676; from other countries, \$9,000. Total, \$1,253,110. In 1866, Nova Scotia exported to Canada and to other countries \$1,073,625 worth of coal.

I now approach the subject of anthracite, in the use of which we fancy we are absolutely dependent on the United States. In England, anthracite is but little used. In the manufacture of iron ordinary coal with the hot blast is used, or the same coal coked. I do not mean the ordinary gas coke, but an article properly prepared in coke ovens. For cook stoves and for our hot air furnaces, coke is admirably suited, and can be used without any alteration. Coke is almost exclusively used for locomotive engines, as it gives out no smoke or sulphur, and makes a steady intense fire. Its adaptation for house use and for manufactories is so well known, that it is hardly worth while discussing the point. The eminent authorities which I give below, will be found to go into the comparative uses and values of anthracite and coke with the greatest accuracy.* It would be strange if an article which in Pittsburg is used for cooking, and for furnaces and open fires, in preference to anthracite, should be inferior to it in British America. In Montreal, coke has been used in furnace for a heating the Merchants' Reading-room, in preference to anthracite, although the price of English coke is high because it rarely comes out in ballast, but has to be imported specially to order.

There is at present little or no demand for slack coal in Nova Scotia, which is therefore wasted, but which could be utilized by being converted into coke, and be sold at a moderate price for domestic and manufacturing use. But in order to supply a good article, extensive and very costly coke ovens must be erected, and this could not be done, unless an inducement is held out by a sufficient market being secured. In one, and one only instance anthracite will be required, and that is in making the finer castings; but for all other purposes coke, by the aid of which England has built up her manufactures, and driven her locomotives, may safely be relied upon by ourselves. It will take some time before coke ovens could be erected, and in the mean time to save incon-

* See Fairburn on the Manufacture of Iron, p. 38. See also "Experiments upon Coal," conducted by Professor Johnson, for the American Government. The author in p. 307, shows that coke exceeds anthracite and free burning coals in evaporative power. "This circumstance therefore justifies the use of coke in locomotive boilers, in preference to any other fuel."

venience to manufacturers and others, the duty on anthracite should be only one half of that which the Americans impose upon our coal; *but it should not be less*, for a less duty will not be a sufficient inducement for us to incur the expense of entering upon the manufacture of a substitute, and we shall always remain dependent upon the Americans for a large portion of our domestic fuel.

As respects our bituminous coal, we must rely entirely on our own resources, by the imposition of a similar duty to that levied upon our own by the Americans. We are independent of them in this particular; and the safety of the Dominion requires that we should, *as a measure, not of protection, but of self-preservation*, adopt reciprocal legislation, and when they learn to appreciate a more liberal policy, they will not find us less liberal than themselves.

Upon this question arises the more important one—are we at the mercy of the Americans, for our supply of fuel in the West, and for our market for our coals in the East? If so and this must continue to be the case, we have given an answer and a not very satisfactory one to the enquiry, “can we exist as a people without the aid and in spite of the United States?”

FREE TRADE.

“Defend me from the man of one book!” is a sensible axiom in private life. “Defend me from the man of one idea!” might become an equally useful saying in politics. This one idea frequently stakes its valuable existence on some trite truism, such as ‘the all importance of free trade;’ and on the strength of this somewhat limited investment of capital, it bases its claims to any amount of political sagacity. With persons of this class argument is useless. Their rule is universal and infallible, and is applicable to all cases and in all times. They are like the tyrant of old, who had an iron bed which formed his standard of manly development. Nature, unfortunately, having made some men tall, and others short, he obviated the effects of its stupidity, by lopping off the superabundance of the long ones, and by stretching the short up to the proper standard. The man of one idea adopts an

equally sapient policy. To prove its absurdity is hardly necessary. Laing, one of the most accurate observers, and a writer who is remarkable for his common sense views of such matters, places this subject in its true light: "Political economy is not a universal science of which the principles are applicable to all men under all circumstances, and equally good and true for all nations; but every country has a political economy of its own, suitable to its own physical circumstances of position on the globe, climate, soil, products, and to the habits, character and idiosyncrasy of its inhabitants, formed or modified by such political circumstances."

As respects free trade in the abstract, few of us will differ. We all like free trade, as we do sunshine and good roads; but sunshine and good roads are not always to be had, and if I should venture to use an umbrella to protect me in a storm, I trust that the man of one idea will not suppose that I am prejudiced against a bright sky, or that I consider that the acme of human happiness consists in going through life with an umbrella over my head. It is a temporary expedient only to escape the effect of a temporary inconvenience. In political matters we are obliged to adapt our measures to the ever varying combination of circumstances. But a man of one idea, who can preach about free trade at a time like this, when we have a nation near us that refuses to have any trade whatever with us, is like an imaginative person, who boasts that the happiness of his life consists in his having the society of an agreeable neighbour, though his friend next door cuts his acquaintance, and kicks him out whenever he ventures to intrude upon him. There are some absurdities the exposure of which is hardly worth the expenditure of serious argument. Standing on one leg is so uncomfortable a position, that the only animals in nature, that seem to adopt such an unstable position, are a goose and a one-sided free trader.

THE RIDDLE AND ITS SOLUTION.

We have arrived at manhood. Are we prepared to undertake its responsibilities? Nova Scotia shrinks from the prospect of national existence, and accustomed to the support and protection

of the British Government, looks with alarm and dismay on the prospect of its being called upon to assume its share of national burthens. A few days ago, while visiting a friend, I was alarmed at finding his little son and heir on the floor, crying and kicking lustily, for no apparent reason, no one having hurt or thwarted him. The reason for the outcry was at last divulged: "I want to be a baby again, for I want to be petted." Here was a difficulty for his indulgent mother. She would gladly do anything in the world for him, but this was beyond her power. She however assured him, that though she could not make a baby of him again, she would make a man of him in time, if he would be a good boy and behave himself.

Nova Scotia is distressing its Mother Country with an equally unreasonable request, and will no doubt be comforted by the maternal assurance, that if it behaves itself, she will make it a great country in due time.

Nor is Nova Scotia the only part of the Dominion that shrinks from the necessity for self-reliance.

We have learned to depend for our protection on Britain, and for our commercial existence on the Americans. The latter have declined the honor, and wish to throw us upon our resources, and to teach us self-reliance—not by precept, but by what is far more convincing—by example. They have shown us the spectacle of a republic, that is willing to sacrifice everything for the public welfare. In war they have astonished the world; but in peace their trials and their triumphs are even more surprising. A nation, that calmly, without excitement, can without a murmur, endure the frightful burthens that are crushing industry in the United States, and can keep a brave heart and a high head, is a great people; and no matter what disasters may befall it, it will continue to extort the admiration even of its enemies. This was the spirit that made Rome the mistress of the world. That she was destined to the mastery, was proved in the darkest hour of her history, when though the Alps no longer sheltered her from invasion, though her armies were scattered, and the foe was near the gates of "the Eternal City," the Senate rewarded the man who dared to hope—"because he had not despaired of the Com-

monwealth." How could such a nation be subdued, unless it were exterminated?

Have we this spirit of self-reliance, and of self-sacrifice? Without it, we have about as much chance of national life, as a galvanized corpse of vitality.

The fate of a state once depended upon its being able to solve an enigma. The riddle of the Sphinx, so celebrated in the traditions and the literature of antiquity, was intended to illustrate a homely truth. Though riddles, once the delight of the infancy of nations, are now consigned to the nursery, the enigma in question may be of service to a young nationality, for the fate of the New Dominion, like that of Thebes of old, depends upon our being able, as a people, to practically solve it. The lesson which it taught was that helpless infancy must crawl on "all fours," and depend for existence upon others; old age may lean upon its staff, but manhood must stand erect upon its feet. We have arrived at manhood. We are aspiring to nationality. Are we able to stand alone? Can we exist as a people without the aid and in spite of the United States? If so, then we have solved the enigma, and our future is safe.

